

Minutes
County Road Administration Board
January 26-27, 2006
CRAB Office – Olympia, Washington

Members Present: Dean Burton, Garfield County Commissioner, Chair
 Patty Lent, Kitsap County Commissioner, Second Vice-Chair
 Dave Carey, Walla Walla County Commissioner
 Brian Stacy, PE, Pierce County Engineer
 Ray Thayer, Klickitat County Commissioner
 Tod LeFevre, PE, Skamania County Engineer
 Marc Boldt, Clark County Commissioner
 Greg Partch, Whitman County Commissioner *

Staff Present: Walt Olsen, PE, Deputy Director
 Steve Hillesland, Assistant Director
 Karen Pendleton, Executive Assistant
 Randy Hart, PE, Grant Programs Manager
 Al King, PE, Intergovernmental Policy Manager
 Don Zimmer, Inventory Systems Manager
 Larry Pearson, PE, Maintenance Manager
 Rhonda Mayner, Secretary
 Susan Cruise, CRAB Attorney

Members Absent: James Whitbread, PE, Stevens County Engineer, Vice-Chair

Guests: Jeff Monsen, PE, Whatcom County Public Works Director
 Reid Wheeler, PE, WMS *
 Paulette Norman, PE, King County Engineer *
 Russ Esses, PE, Grays Harbor County Engineer *
 Chal Martin, PE, Skagit County Engineer *
 Ernie Geissler, former CRAB Executive Director *
 Gary Predoehl, PE, Pierce County Program Development Mgr **
 Pete Ringen, PE, Wahkiakum County Engineer **

*Present January 26, 2006 only

**Present January 27, 2006 only

CALL TO ORDER

Chair Burton called the County Road Administration Board quarterly meeting to order at 1:10 PM on Thursday, January 26, 2006, at the CRAB Office in Olympia.

CHAIR'S REPORT

Chair Burton noted that Mr. Weber was attending the funeral of a close family friend and would be absent from the meeting.

Approve January 26-27, 2006 Agenda

Second Vice-Chair Lent moved and Commissioner Carey seconded to approve the agenda with no changes. **Motion carried unanimously.**

Approve Minutes of October 27-28, 2005 CRABoard Meeting

Commissioner Thayer moved and Commissioner Partch seconded to approve the minutes of the October 27-28, 2005 CRABoard meeting. **Motion carried unanimously.**

DIRECTOR'S REPORT

Mr. Olsen informed the Board that Mr. LeFevre and his wife recently had a baby girl and presented Mr. LeFevre with a gift basket and congratulations from the CRAB staff.

Annual Report

Ms. Pendleton informed the Board that the 2005 CRAB Annual Report has been completed and mailed to all interested parties.

Current Budget Status

Mr. Olsen reviewed CRAB's current budget status through December 31, 2005. The agency is within budget. He noted there may be some minor adjustments and/or redistributions in the future.

Second Vice-Chair Lent inquired whether gas tax revenues are up. Mr. King replied they have stayed up surprisingly well; down from the Office of Financial Management's forecasts but looking good going into this year.

2005-2007 Supplemental Budget Request

Mr. Olsen noted the request asks the legislature to transfer \$3 million from RAP to CAPP, and is supported by Governor Gregoire's office. He advised the Board that there will be a \$695,000 reduction due to the transfer, so the total amount realized would be \$2,305,000.

Resolution 2006-001 CAPA Distribution

Mr. Olsen presented Resolution 2006-001 regarding implementation of a pavement management system for the 2006 CAPA distribution. He noted that staff has reviewed each of the counties' systems for 2005 and all are in substantial compliance with the requirements of WAC 136-70-040.

After discussion, Second Vice-Chair Lent moved and Commissioner Partch seconded to approve Resolution 2006-001. **Motion carried unanimously.**

Request for Public Hearing to Modify WAC 136-300

Mr. Hart requested that the Board set a public hearing for April 2006 to modify WAC 136-300. These revisions would assure the additional \$2,305,000 appropriation to CAPP will be used accordingly, and add Maintenance Management to annual reporting requirements.

After discussion, Second Vice-Chair Lent moved and Commissioner Thayer seconded to set a public hearing for modifications to WAC 136-300-050, 060, 070 and 090 on

April 27, 2006 at 2:00 pm. **Motion carried unanimously.**

Columbia County Assistance

Mr. Olsen informed the Board he and Mr. Weber went to Dayton at the request of the Columbia County Board of Commissioners to assist in interviewing four applicants for the County Engineer's position. The Commissioners selected Drew Wood to fill the position, effective January 30, 2006.

King County Annual Certification

Mr. Olsen noted that King County has not been correctly coding collision locations per technical coding requirements under WAC 136-28-030. Mr. Hillesland presented additional background information.

Ms. Norman noted that King County has been using a different system for collision records that is difficult to transition to the Road Log system. She outlined the county's plan to recode the last five years of data into the Road Log system by the end of 2006.

Mr. Olsen read Mr. Weber's recommendation:

Having reviewed all pertinent facts relating to the issue before you, and having discussed this matter at length with staff, I have come to the following conclusions:

1. *The timely reporting of accident data from the counties to the Department of Transportation, has been a matter of enough importance to rise to the level of being a part of our annual certification process and therefore, also a consideration for the issuance of your Certificates of Good Practice.*
2. *During the process which will be discussed by staff with you at the regular January meeting of the board, it has come to our attention that King County has been deficient in that function of reporting.*
3. *King County immediately responded to our request for a meeting during which a resolution to this problem might be found.*
4. *King County has demonstrated a sincere desire to remedy the situation of deficient reporting for 2005 and intends to do so immediately.*
5. *I believe we may fully expect the reporting for 2005 to be completed in time for the regular April meeting of the board, and I also believe King County shall be able to complete the backlog of absent reports sometime later this year.*

Therefore, it is my recommendation to you that the current status of King County's current Certificate of Good practice be maintained until the April meeting. At that time I believe the Board will be able to determine the success of King County's effort to complete the reporting for 2005, and may condition King County's certificate for 2006 upon the completion of backlog reporting for previous years at that time.

After discussion, Commissioner Partch moved and Second Vice-Chair Lent seconded to have King County maintain their current Certificate of Good Practice, and review their progress at the April 2006 CRABoard meeting. **Motion carried unanimously.**

Executive Order 05-05: Archaeological and Cultural Resources

Mr. Olsen reviewed the Executive Order signed last fall by Governor Gregoire. Mr. King noted that the Order requires review of every project across the state to determine potential impacts to cultural resources before the project can proceed. He informed the Board that he and Mr. Weber have discussed the issue with Rich Struna of OFM to determine the impacts to the counties.

DEPUTY DIRECTOR'S REPORT

County Engineers/Public Works Directors

Mr. Olsen announced the following changes in status of County Engineers since October 2005:

1. By letter on September 30, 2005, the Columbia County Board of County Commissioners announced that Scott Smith, PE, resigned as Public Works Director/County Engineer, effective September 23, 2005. At the October 3, 2005 meeting, the board appointed Grant Morgan, PE, Garfield County Engineer, to serve on an interim basis as acting Engineer for Columbia County. The position was posted for advertisement in late October and interviews were conducted, with CRAB assistance, on January 13 & 14, 2006. On January 25, 2006, the Columbia County Board of County Commissioners announced that Drew Wood, PE, has accepted the position of County Engineer, effective January 30, 2006.
2. On September 27, 2005, the Island County Board of County Commissioners announced that Richard 'Dick' Snyder, PE, would retire as County Engineer, effective January 1, 2006. On January 3, 2006, the Island County Board of County Commissioners announced that Bill Oakes, PE, has been appointed Public Works Director/County Engineer, effective January 1, 2006.

State Auditor's Report

The 1997 State Auditor Office (SAO) audit of CRAB concluded that the minutes of the Board meetings needed specific mention of SAO audits of the counties and of any findings that might relate to the statutory responsibilities of CRAB. The minutes also need to reflect any recommendations from the CRAB board to staff in response to the audits. This report details our staff procedures to satisfy the SAO.

CRAB has received 20 audit reports representing 13 counties since the October 2005 board meeting. Four audits, with county name in bold print, revealed substantive findings involving County Road Funds, specifically:

1. **Grays Harbor County**: SAO #69449 & 69470, issued on September 23, 2005, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued no findings. A management letter, issued September 13, 2005, was included and noted that competitive bid procedures were not followed on an asphalt bid that exceeded the original contract amount without a change order. County Road funds were involved and a CRAB staff inquiry is in progress.

2. Walla Walla County: SAO #69689, issued on November 10, 2005, covering the period from January 1, 2004 to December 31, 2004. This is an accountability audit report and issued one new finding, not involving County Road funds.
3. Kittitas County: SAO #69408 and 69409, issued on August 26, 2005, and September 16, 2005, respectively, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued one new finding, updated one prior finding, none involving County Road funds. A management letters, issued August 24, 2005, addressed six issues, none involving County Road Funds.
4. Kitsap County: SAO #69731, issued on November 23, 2005, covering the period from January 1, 2004 to December 31, 2004. This report covered accountability audits and issued no findings. A management letter, issued November 23, 2005, was included and did not involve County Road funds.
5. **San Juan County:** SAO #69757 & 69758, issued on November 23, 2005, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and updated one finding, not involving County Road funds. A management letter, issued July 29, 2005, was included and indirectly involved County Road funds through an Equipment Rental and Revolving Fund loan to Solid Waste that has not charged interest or been repaid for services provided at least seven years ago.
6. Mason County: SAO #69793 & 69794, issued on December 2, 2005, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued one new finding, updated one prior finding, none involving County Road funds.
7. Benton County: SAO #69917, issued on December 30, 2005, covering the period from January 1, 2004 to December 31, 2004. This report is an accountability audit that issued one new finding and updated one prior finding, none involving County Road funds. A management letter, issued December 5, 2005, was included and did not involve County Road funds.
8. Whitman County: SAO #69939 & 69940, issued on December 23, 2005, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued one new finding, updated one prior finding, none involving County Road funds.
9. **Grant County:** SAO #69942 & 69958, issued on December 23, 2005 and January 6, 2006, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued four new findings (one involving County Road funds) and updated three previous findings (none involving County Road funds). The Road Fund finding revolves around the County Treasurer's Office paying Public Works Department vouchers without certification by the County Auditor's Office. A management letter, issued

December 8, 2005, that was included did not involve County Road funds. Because County Road funds were potentially involved, a CRAB staff inquiry is in progress.

10. Pierce County: SAO #69981 and 69982, issued on January 13, 2006, covering the period from January 1, 2004 to December 31, 2004. These reports covered both financial and accountability audits and issued no new findings. A management letters, issued in December 2005, addressed two issues, none involving County Road Funds.
11. Stevens County: SAO #70037, issued on January 20, 2006, covering the period from January 1, 2004 to December 31, 2004. This is an accountability audit report and issued no findings.
12. **Chelan County**: SAO #69994, issued on January 13, 2006, covering the period from January 1, 2004 to December 31, 2004. This is an accountability audit report and issued one new finding, involving County Road funds. The competitive bid process for equipment purchases exceeding \$25,000 were not followed for the purchase of five dump trucks in March of 2004. A CRAB staff inquiry is in progress.
13. Snohomish County: SAO #70003, issued on January 13, 2006, covering the period from January 1, 2004 to December 31, 2004. This is an accountability audit report and issued two new findings, not involving County Road funds. A management letter, issued in December 21, 2005, addressed four issues, none involving County Road Funds.

Activities

Mr. Olsen reviewed a list of his activities since the October 2005 CRABoard meeting.

County Freight and Goods Update

Mr. Zimmer informed the Board that the 2005 County Freight and Goods Study has been completed and mailed to all interested parties. He briefed the Board on the history of the study.

Chair Burton called for a brief break.

RAP BUSINESS

Project Requests

The project requests were moved up in the agenda due to time constraints by those appearing before the Board.

Grays Harbor County

Grays Harbor County is requesting a RATA fund increase of \$328,500 for South Bank Road, due to unanticipated environmental laws, causing additional design, construction and permitting costs. Mr. Esses noted that what appeared to be a simple project in the beginning turned into a complicated process.

Mr. Hart offered the following staff recommendation:

1. Increased design and permitting for fish barrier removal: This has been a statewide issue since the time when biological assessments were required. In later years (after 1999) counties have been able to adjust project requests to reflect the increased costs prior to prospectus submittal. The South Bank Road project, however, is of such environmental scope that these large costs could not have been anticipated back in early 1998 when the project was submitted for RATA funding. Per their letter dated October 27, 2004, the county asked for and was granted a two-year extension to the project, from April 8, 2005 to April 8, 2007. The county cited the ongoing biological assessment, wetland, storm water and realignment design issues that pushed the permitting process further than originally anticipated. Staff finds the request for RATA funding for additional costs of \$125,000 are justified.
2. Construction of Fish Passage structure: Required construction of a 20 foot span drainage is far beyond what could have been reflected in the prospectus, submitted in the spring of 1998. Staff finds these costs are justified for additional RATA funding.
3. Stormwater treatment costs: The county claims the need for stormwater treatment could not be known until the final alignment was established. CRAB staff finds that storm water treatment requirements were in place by the Department of Ecology as early as 1995. Even without the prevalence of rain, flooding along the Chehalis River, and presence of wetlands throughout, stormwater treatment had been required for a number of years on road projects well before the prospectus was submitted. CRAB staff finds RATA funding for this item is not justified.
4. Delay of project: The original prospectus listed the construction year as 2001, and the county later re-scheduled construction for 2005. The county claims that the additional permitting process has delayed the project further, to 2007. CRAB staff agrees with the claim that the county incurred additional unanticipated inflation costs due to this delay as they are related to the fish barrier passage and stormwater treatment issues.
5. Additional gravel costs: Staff finds the loss of existing, suitable roadbed material is a changed condition that the county could not have anticipated at the time the original prospectus was submitted.

The above findings by CRAB staff support a total increase of \$387,000 - \$25,000 (stormwater treatment) = \$362,000. This amount is still above the \$328,500 the county is requesting. Staff therefore recommends approval of the increase request of \$328,500 with subsequent reduction in the county's 2007-2009 funding limit.

After discussion, Second Vice-Chair Lent moved and Mr. LeFevre seconded to approve

Grays Harbor County's request for additional funding. **Motion carried unanimously.**

Skagit County

Skagit County is requesting a RATA fund increase of \$250,000 for Helmick Road due to an error in the original estimate causing design and permit changes; unavailability of supplementary funds; and increased costs. Mr. Martin presented a handout on the project.

Mr. Hart offered the following staff recommendation:

1. Error in wetlands delineation. *The county claims the original delineation was in error, and not resolved until the Corps of Engineers did their delineation. Staff finds that because:*
 - a. *the wetland condition existed prior to RATA funding submittal by the county;*
 - b. *wetlands definition and mitigation methods have been in place for decades, stormwater treatment at least since the 1995 stormwater manual; and*
 - c. *the County, by signing the CRAB / County contract states that it has sufficient funds (under existing conditions) to perform the project construction; and*
 - d. *WAC 136-165-020 4(c) states "At the time of preparation and submittal of the final project prospectus the county is expected to consider....."Required permits, including pre-project scoping consultations with the permitting agencies and an estimate of the costs of complying with permit requirements.";*

this claim is not justified, and recommends denial of additional wetland costs.
2. Additional permitting costs. *This item again is due to wetlands measurements not done correctly at the beginning. Staff feels additional funding is not justified. The permitting process with the Corps of Engineers has been in place for many years, and should have been anticipated by the county. The large majority of RAP projects commence the permitting process after funds are allocated, and are being submitted with these costs included. Staff finds it cannot make an exception in this case.*
3. Unavailability of supplementary funds. *The county claims it planned to use STP funds based on the assumption any new act would carry forward the same minor collector, 08, eligibility as previous acts had. However, CRAB staff found no listing of STP funding in the counties 6 year road programs submitted in 2001 through 2004. The project was not listed at all in the years prior to 2001.*

The funding sources listed in the 2003 – 2008 program are:

BIA	\$1,822,000
STATE (RAP)	500,000
LOCAL FUNDS	<u>1,322,000</u>
TOTAL	\$3,644,000

The funding sources listed in the 2006 - 2011 program are:

BIA	\$2,250,000
STATE (RAP)	500,000
LOCAL FUNDS	<u>1,890,000</u>
TOTAL	\$4,640,000

Based on these findings, and the fact that no other supplementary funds were listed in the prospectus agreement, staff cannot support additional funding due to loss of STP funds. Further, TIB funds are contingent on making urban type improvements which are not eligible for RATA funding and were not mentioned in the prospectus. Staff finds no support for these costs.

4. *Change in design standards.* *The original prospectus, attached proposed cross sections and therefore the CRAB/County contract made no provision for funding other than a rural road with no sidewalks or left turn lanes. Staff recommends denial of funding for this cost.*
5. *Increased price of materials.* *Many if not all of the counties are feeling the impact of increased materials costs, especially in plastic pipe, steel, asphalt, oil and many others driven by the cost of fuel. Normally, specific design and law changes such as fish passage requirements that went into effect after a project was submitted can be considered as unforeseeable and extraordinary. Unforeseeable changes in items and types of work or changed conditions unique to the project are what the CRABoard considers in accordance with WAC 136-165-020, not market fluctuations such as oil and steel prices. Staff finds that since these are market fluctuations that are felt by everyone, and in that sense, not extraordinary, nor an impact felt by this one individual project, RATA funding of these costs are not supportable.*
6. *Unanticipated accidents*
Staff finds that the presence of the intersection and consideration of potential improvements should have taken place prior to submittal of the RAP prospectus, especially given that the road intersects with a state highway on one end and serves a casino at the other. Staff therefore recommends denial of an increase for additional channelization.

In summary, CRAB staff recommends the request for an additional \$250,000 in RATA funding for Helmick Road be denied.

After discussion, Commissioner Partch moved and Commissioner Thayer seconded to deny Skagit County's request for additional funding. **Motion carried unanimously.**

Wahkiakum County

Wahkiakum County is requesting \$250,000 in emergency RATA funding for the repair of storm and tidal event damage to Beaver Creek Road.

The proclamation of a statewide emergency was given by the Governor's Office on January 17, 2006. Although Wahkiakum County's damage was not included, the county

is seeking to add their damage. If it is eventually added, funding by the FHWA will equal 86.5% of the incurred costs.

Mr. Hart offered the staff recommendation that the CRABoard allow RATA funding under the following scenarios:

1. *FHWA approval:*

RATA match of potential federal funding not to exceed \$47,500 (13.5% matching requirement X \$350,000 = \$47,500), based on the costs supplied by the county in their request letter and the other damaged roads which were not closed by the county but may yet receive federal funding. The CRAB / County contract will be offered only after FHWA approval.

2. *FHWA denial:*

RATA match of the total project costs incurred to restore Beaver Creek Road to its original configuration including paving and signing and not to exceed \$243,000 (90% X \$270,000) and effective only after FHWA denial.

Language in the contract will allow for reimbursement of costs incurred as of the storm event, which began December 30, 2005. The eventual contract amount will be deducted from in the county's funding limit for the 2007 – 2009 biennium.

After discussion, the Board decided to table Wahkiakum County's request for emergency funding until the April 2006 CRABoard meeting.

Program Status Report

Mr. Hart reviewed the Rural Arterial Program status report. He noted that 850 of 982 projects have been completed. Anticipated revenue to the end of the 2007-09 biennium is \$412,613,032. RAP expenditures to date total \$308,076,899. RAP obligations remaining are \$127,830,228.

Regional RAP Meetings

Mr. Hart updated the Board on regional RAP meetings held since the October 2005 CRABoard meeting.

Lapsing Projects

Mr. Hart reviewed a one page list of RAP projects due to lapse.

Resolution 2006-002 Apportion RATA Funds to Regions

Mr. Hart presented Resolution 2006-002 - Apportion RATA Funds to Regions. The resolution authorizes the accrued amount of \$5,060,659 now credited to RATA be apportioned to the regions by the established 2005-2007 biennium regional percentages after setting aside \$151,820 for administration.

After discussion, Commissioner Carey moved and Second Vice-Chair Lent seconded to approve Resolution 2006-002 - Apportion RATA Funds to Regions. **Motion carried unanimously.**

Request Public Hearing

Mr. Hart asked the Board to set a public hearing concerning proposed revisions to WAC 136-130-030, Project Prioritization in Puget Sound Region; and WAC 165-020, Requirements for Consideration of RATA Fund Increases. These changes are a result of changes in the RAP rating system as discussed in the regional meetings, and clarify when increase requests can be submitted and under what conditions.

After discussion, Second Vice-Chair Lent moved and Commissioner Thayer seconded to set a public hearing on WAC 136-130-030 and WAC 136-165-020 for April 27, 2006 at 2:00 pm. **Motion carried unanimously.**

Information Services Update

Mr. Hillesland informed the Board that Eagle Point and Mobility training are heavy from October through May at the CRAB offices. Staff is continuously enhancing Mobility and updating systems, adding a server and security enhancements to increase the stability of the system.

Chair Burton recessed at 4:30 PM on January 26, 2006. The CRABoard meeting will resume January 27, 2006 at 8:30 A.M.

County Road Administration Board
January 27, 2006
Friday

CALL TO ORDER

The second day of the winter CRABoard meeting was called to order by Chair Burton at 8:36 AM on January 27, 2006.

2007-2009 County Ferry Capital Improvement Applications

Mr. Olsen gave a Power Point presentation to the Board reviewing WAC 136-400, CRAB Rules for Evaluating County Ferry Capital Improvement Fund Requests, and outlined the schedule for the process.

E-Learning CRAB Overview

Mr. King gave a brief demonstration to the Board of the online education program for which he has been leading development.

The winter CRABoard meeting recessed at 10:16 AM Friday, January 27, 2006.

Chairman

ATTEST: _____